

# FINAL REPORT

## IMPLEMENTATION

OF

## AGRICULTURAL INPUTS SUBSIDY PROGRAMME 2006/07

Logistics Unit  
April 2007

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## **PREFACE**

Much of the methodology employed in implementing the 2006 inputs subsidy programme has been covered in detail in the Interim Report prepared in March by the Evaluation Team from Imperial College, Wadonda Consult and Michigan State University. That report dealt in a competent and detailed manner with voucher design and the process of voucher distribution, agricultural input acquisition and distribution. The evaluation team's report was made available to all stakeholders. In preference to covering the same ground again, this report concentrates on making available the final statistics covering the programme. It is trusted that side by side with the evaluation report it will assist all concerned in making informed decisions in connection with future input subsidy programmes.

## **BACKGROUND**

For the second consecutive year, the Government of Malawi, through the Ministry of Agriculture announced its intention to embark on a fertiliser subsidy programme. In the early stages leading up to the commencement of the 2006/2007 programme it was envisaged that the methodology would be very similar to that used in 2005/06, namely Government would arrange for the importation of the fertiliser through SFFRFM and ADMARC would be responsible for distributing to the beneficiaries. Beneficiaries would once more be the recipient of vouchers that would be used to obtain the subsidised fertiliser.

The first significant change to the above came in June when the Government opened up the supply of the fertiliser being specifically acquired for the subsidy programme by issuing a tender for 150,000 MTS and awarding a number of supply contracts in August 2007.

This was followed by the decision to incorporate the Logistics Unit into the Ministry of Agriculture team responsible for implementing the project.

However, the most significant departure from the previous year was the decision to open up the supply of subsidised fertiliser to a limited number of agro-dealers. This move was finally sanctioned in mid November. This made two channels available to the farmer from which to acquire subsidised fertiliser, ADMARC/SFFRFM unit markets or the agro dealers previously sanctioned as providers of the subsidised fertiliser. It also increased the quantity of fertiliser available to feed the programme to above the 150,000 MTS mentioned in the paragraph above.

A further development was the provision of subsidised maize seed made available to farmers on presentation of a voucher with a universal face value of MK 400.

## **OUTCOME (EXECUTIVE SUMMARY)**

### ***Fertiliser***

3 million fertiliser vouchers (1.3 million NPK, 1.3 million Urea, 0.2 million D Compound, and 0.2 million CAN vouchers) were delivered into the districts in October for distribution to farmers.

A further 1,002,568 million vouchers (429,980 NPK, 572,588 Urea) were printed and made available in December.

An unspecified number of coupons above the numbers quoted above were also in circulation covering all three types of fertiliser.

Through the scheme, farmers paid MK 950 for a 50kg bag of fertiliser irrespective of the type of fertiliser or area in which it was purchased.

174,688 MTS of fertiliser were bought by farmers through the 2006 agricultural inputs project

The breakdown by type was NPK (78,064 MTS), Urea (74,925 MTS), D Compound (10,682 MTS) and CAN (11,017 MTS)

ADMARC and SFFRFM were responsible for selling 125,437 MTS of the fertiliser purchased by farmers through the scheme (72%)

The balance of 49,251 MTS (28%) was sold through 7 private retailers authorised by Government to deal in vouchers

ADMARC/SFFRFM voucher recovery expressed in MTS was 123,294 MTS leaving an unaccounted balance of 2,143 MTS-----less than 2%.

The known gross cost to Government of making 125,437 MTS of fertiliser available for sale through ADMARC and SFFRFM, exclusive of SFFRFM/ADMARC operational costs, was MK 8,695,680,942.

Based on the sale of 125,437 MT, Government should be able to recover MK 2,383,303,000 through the ADMARC/SFFRFM sales to farmers.

Government expenditure incurred by reimbursing private retailers for vouchers redeemed by farmers buying 49,251 MTS of fertiliser through the private retailers was MK2, 440,437,425.

## ***Seed***

2 million seed vouchers were delivered into the districts in October for distribution to farmers.

Each voucher carried a value of MK 400 when exchanged for seed.

Five recognised seed breeders were authorised by Government to trade in vouchers in exchange for seed.

These five organisations through their traditional district selling partners made seed available at these outlets in the following packages;

Hybrid seed	2kgs (Pannar, Monsanto, Seed Co)
OPV seed	3kgs (Pannar)
OPV seed	4kgs (Seed Co, Demeter, Funwe)

1,828,982 vouchers were subsequently redeemed at a cost of MK 731,592,800.00.

It is calculated that the seed made available to farmers through the scheme amounted to 2,767 MTS hybrid and 1,757 MTS OPV.

## **IMPLEMENTATION DETAILS**

### **FERTILISER PROVISION**

In July 2006 when the Logistics Unit initially became involved in the Inputs subsidy scheme as an arm of the Ministry of Agriculture it was understood that the plan for the provision of fertiliser was as follows.

The Government of Malawi was to make 150,000 MTS of fertiliser available in 2006 for distribution in the fertiliser subsidy scheme. Channels of distribution were to be through the ADMARC and SFFRFM unit markets.

In August the Government placed contracts for 150,000 MTS of fertiliser with the suppliers indicated in the following table:

**TABLE A**

<b>COMMODITY</b>	<b>SUPPLIER</b>	<b>GRAND TOTAL MTS</b>
<b>CAN</b>	<i>Nyiombo</i>	<i>10,000.00</i>
<b>CAN Total</b>		<b>10,000.00</b>
<b>D Compound</b>	<i>Smallholder Farmers Fertiliser Revolving Fund</i>	<i>3,100.00</i>
	<i>Optichem</i>	<i>6,900.00</i>
<b>D Compound Total</b>		<b>10,000.00</b>
<b>NPK</b>	<i>Sealand</i>	<i>1,500.00</i>
	<i>Optichem</i>	<i>2,000.00</i>
	<i>Agrimark</i>	<i>3,683.00</i>
	<i>Transglobe Produce Exports</i>	<i>4,600.00</i>
	<i>Kemira</i>	<i>6,000.00</i>
	<i>Mulli Brothers</i>	<i>7,000.00</i>
	<i>Farmers World</i>	<i>8,000.00</i>
	<i>Smallholder Farmers Fertiliser Revolving Fund</i>	<i>32,217.00</i>
<b>NPK Total</b>		<b>65,000.00</b>
<b>Urea</b>	<i>Sealand</i>	<i>1,000.00</i>
	<i>Optichem</i>	<i>5,000.00</i>
	<i>Simama</i>	<i>5,000.00</i>
	<i>Malawi Fertiliser Company</i>	<i>7,000.00</i>
	<i>Export Trading Company</i>	<i>7,500.00</i>
	<i>Mulli Brothers</i>	<i>9,165.00</i>
	<i>Transglobe Produce Exports</i>	<i>12,000.00</i>
	<i>Smallholder Farmers Fertiliser Revolving Fund</i>	<i>18,335.00</i>
<b>Urea Total</b>		<b>65,000.00</b>
<b>Grand Total</b>		<b>150,000.00</b>

These were the resources that were to be delivered to three SFFRFM depots and used to stock the ADMARC and SFFRFM unit markets. The total cost of this exercise, delivered to the depots, was calculated to be \$ 65,841,340.57. Where the supplier had quoted in Malawi kwachas (Optichem and SFFRFM) an exchange rate of MK 140/\$ has been applied to arrive at the US dollar equivalent.

In the event, Kemira and Agrimark had their contracts rescinded and a number of other contracts were substantially altered as it became clear that the organisations concerned would be unable to deliver in reasonable time. In addition, at the request of the

Government, Farmers World and Malawi Fertiliser Company agreed that the 15,000 MTS awarded to these two companies would be channelled through their retail outlets where it would be distributed for redeemable vouchers.

This meant that only 135,000 MTS from the Government contracts was scheduled to be channelled through the three SFFRFM depots. In the end the supply line was as follows:

**TABLE B**

<b>COMMODITY</b>	<b>SUPPLIER</b>	<b>GRAND TOTAL MTS</b>
<b>CAN</b>	<i>Nyiombo</i>	<i>7,195.90</i>
	<i>Export Trading</i>	<i>4,999.70</i>
<b>CAN Total</b>		<b>12,195.60</b>
<b>D Compound</b>	<i>Smallholder Farmers Fertiliser Revolving Fund</i>	<i>781.00</i>
	<i>Optichem</i>	<i>4,900.20</i>
	<i>Mulli</i>	<i>1,000.00</i>
	<i>Sealand</i>	<i>999.30</i>
	<i>2005 Government carry over stock</i>	<i>2,319.00</i>
<b>D Compound Total</b>		<b>9,999.50</b>
<b>NPK</b>	<i>Sealand</i>	<i>5,899.95</i>
	<i>Optichem</i>	<i>2,000.00</i>
	<i>Transglobe Produce Exports</i>	<i>4,226.95</i>
	<i>Mulli Brothers</i>	<i>16,000.00</i>
	<i>Smallholder Farmers Fertiliser Revolving Fund</i>	<i>16,000.00</i>
	<i>Nyiombo</i>	<i>12,500.00</i>
<b>NPK Total</b>		<b>56,626.90</b>
<b>Urea</b>	<i>Sealand</i>	<i>1,000.00</i>
	<i>Optichem</i>	<i>1,000.00</i>
	<i>Simama</i>	<i>7,000.00</i>
	<i>Export Trading Company</i>	<i>10,498.95</i>
	<i>Mulli Brothers</i>	<i>9,165.00</i>
	<i>Transglobe Produce Exports</i>	<i>8,000.00</i>
	<i>Smallholder Farmers Fertiliser Revolving Fund</i>	<i>22,426.35</i>
	<i>Nyiombo</i>	<i>3,000.00</i>
<b>Urea Total</b>		<b>62,090.30</b>
<b>Grand Total</b>		<b>140,912.20</b>

The final figure made available for use in the fertiliser subsidy programme includes an additional 4,000 MTS of urea from SFFRFM requested in January by the Government. It also includes additional CAN purchased from Nyiombo over and above the 10,000 MTS initially required for the subsidy programme. It should be noted that the 140,912.20 MTS mentioned above includes 2,319 MTS of D compound from carry over stocks from the 2005 exercise. This reduces the amount purchased for the subsidy exercise in 2006 to 138,593.20 MTS. The total cost to Government of this 2006 purchase exercise was calculated as \$ 61,299,382.86 exclusive of the 4,000 MTS late order of urea, for which an invoice has never been presented. Again, where the supplier had quoted in Malawi kwachas (Optichem and SFFRFM), an exchange rate of MK 140/\$ has been applied. Payments were actually made in Malawi Kwachas at the selling rate prevailing on the date of payment. Recommended payments totalled MK 8,562,896,980.82

## **GOVERNMENT FERTILISER DELIVERY PROGRAMME**

The original fertiliser tender for the 150,000 MTS to be acquired by Government had a June submission date and called for the fertiliser to be delivered by the end of September. However awards were not made until late in August rendering the delivery date impractical. The Logistics Unit approached all successful tenderers in late August requesting them to submit a fresh programme. These submissions basically indicated that all fertiliser would be delivered by the middle of November.

In practise completion of the delivery of the Government sourced fertiliser intended to feed the subsidy programme did not take place until the week beginning 22<sup>nd</sup> January 2007. A bar chart at the end of this section gives more details on these deliveries.

It has to be recognised that many changes were made to the original tender awards. Most of those can be traced by comparing the original awards shown in Table A with the eventual deliveries shown in Table B. Major differences were the cancellation of the Kemira and Agrimark contracts at the onset of the project, and the decision to put the Farmers World and MFC fertiliser through the retail outlets. In addition to the foregoing, the SFFRFM share of the fertiliser was reduced from 55,652 MTS to 39,207 MTS. This only happened when it became clear that the SFFRFM fertiliser would arrive very late.

All of the above cancellations and reductions were the subject of new or extended contracts with the other suppliers who had already been contracted.

A major consequence of this reallocation programme was the subsequent delivery delays of NPK resulting in an inability to distribute NPK through ADMARC outlets in the early stages of the project. The following table indicates the delivery programme.



## Delivery Schedule For Government Procured Fertiliser

		04-Sep	11-Sep	18-Sep	25-Sep	02-Oct	09-Oct	16-Oct	23-Oct	30-Oct	06-Nov	13-Nov	20-Nov	27-Nov	04-Dec	11-Dec	18-Dec	25-Dec	01-Jan	08-Jan	15-Jan	22-Jan	
Chirimba	Planned	-----																					
	Actual	_____																					
Urea	Planned	-----																					
	Actual	_____																					
CAN	Planned	-----																					
	Actual	_____																					
D	Planned	-----																					
	Actual	_____																					
Kanengo	Planned	-----																					
	Actual	_____																					
Urea	Planned	-----																					
	Actual	_____																					
CAN	Planned	-----																					
	Actual	_____																					
D	Planned	-----																					
	Actual	_____																					
Luwinga	Planned	-----																					
	Actual	_____																					
Urea	Planned	-----																					
	Actual	_____																					
CAN	Planned	-----																					
	Actual	_____																					
D	Planned	-----																					
	Actual	_____																					

## VOUCHER PROGRAMME

### *District allocation of Vouchers*

As was shown in the tables dealing with fertiliser supply, the Government's initial intention was to have a programme that would distribute 150,000 MTS of fertiliser to the rural communities. The programme was to make available 65,000 MTS NPK, 65,000 MTS urea, 10,000 MTS D compound and 10,000 MTS CAN. The price to the farmer for each fertiliser, irrespective of type, was MK 950 for a 50KG bag. Those who were to benefit through the scheme were to be provided with a voucher. Each voucher would carry the name of the fertiliser for which it could be exchanged.

3 million vouchers were printed, 1.3 million being for NPK, 1.3 million for urea, 200,000 for D compound and 200,000 for CAN.

The district split of the 3 million vouchers as indicated by the Ministry of Agriculture Planning Department was as follows:

DISTRICT	UREA VOUCHERS	23:21:0 + 4S VOUCHERS	CAN VOUCHERS	D/COMP VOUCHERS
Chitipa	33,220	33,220	9,540	9,540
Karonga	7,300	7,300	-	-
Rumphi	20,060	20,060	11,180	11,180
Nkhata Bay	6,920	6,920	200	200
Mzimba	95,500	95,500	31,080	31,080
<b>Regional Total</b>	<b>163,000</b>	<b>163,000</b>	<b>52,000</b>	<b>52,000</b>
Ntchisi	36,940	36,940	10,080	10,080
Dowa	74,740	74,740	20,600	20,600
Mchinji	77,060	77,060	15,560	15,560
Kasungu	76,000	76,000	26,480	26,480
Salima	27,440	27,440	1,020	1,020
Nkhotakota	13,300	13,300	860	860
Lilongwe	172,860	172,860	39,860	39,860
Dedza	49,820	49,820	3,700	3,700
Ntcheu	61,860	61,860	3,840	3,840
<b>Regional Total</b>	<b>590,020</b>	<b>590,020</b>	<b>122,000</b>	<b>122,000</b>

BALAKA	27,000	27,000	900	900
Mangochi	61,800	61,800	5,400	5,400
Machinga	64,520	64,520	4,100	4,100
Zomba	74,500	74,500	8,000	8,000
Chiradzulu	33,720	33,720	1,700	1,700
Mwanza/Neno	29,900	29,900	200	200
Thyolo	61,820	61,820	1,100	1,100
Phalombe	43,380	43,380	2,500	2,500
Mulanje	54,160	54,160	600	600
Blantyre	85,180	85,180	1,500	1,500
Chikwawa	6,740	6,740	-	-
Nsanje	4,260	4,260	-	-
<b>Regional Total</b>	<b>546,980</b>	<b>546,980</b>	<b>26,000</b>	<b>26,000</b>
<b>National Total</b>	<b>1,300,000</b>	<b>1,300,000</b>	<b>200,000</b>	<b>200,000</b>

In addition to the fertiliser vouchers, 2 million maize seed vouchers were authorised, the break down being as follows:

<b>DISTRICT</b>	<b>SEED VOUCHERS</b>
Chitipa	51,108
Karonga	11,231
Rumphi	30,861
Nkhata Bay	10,640
Mzimba	146,923
<b>Regional Total</b>	<b>250,763</b>

NTCHISI	56,831
Dowa	114,985
Mchinji	118,554
Kasungu	116,923
Salima	42,215
Nkhotakota	20,450
Lilongwe	265,939
Dedza	76,646
Ntcheu	95,169
<b>Regional Total</b>	<b>907,712</b>
Balaka	41,539
Mangochi	95,078
Machinga	99,261
Zomba	114,615
Chiradzulu	51,878
Mwanza/Neno	46,000
Thyolo	95,108
Phalombe	66,739
Mulanje	83,323
Blantyre	131,046
Chikwawa	10,369
Nsanje	6,554
<b>Regional Total</b>	<b>841,510</b>
<b>National Total</b>	<b>1,999,985</b>

The seed vouchers were all valued at MK 400 and could be used to obtain either hybrid or OPV maize seed at a discounted price. In practise the participating seed companies packaged the hybrid seed in 2 kg packs and the OPV seed in packs varying from 3 to 4kgs. Vouchers were then exchanged for one packet of maize seed depending on the farmer's preference.

## ***Voucher Design***

The criteria demanded by the Government in the design process was that the voucher be produced in triplicate on carbonated paper and that the vouchers should contain security features that would prevent easy duplication of the originals.

## ***Production Of Vouchers***

As DFID had agreed to fund the production of vouchers, the selection of printers for the production was by tender organised by Charles Kendall & Partners. Tenderers had to submit both a price and a design incorporating the features mentioned above. Successful tenderers were Montfort Press for the fertiliser vouchers and Design Printers for the seed vouchers. Tenders were awarded in the first week in September but commencement of printing was delayed until 15<sup>th</sup> September as both district and EPA numbers were not finalised until then.

## ***Distribution of Vouchers***

Both Montfort and Design Printers commenced delivery of vouchers to Logistics Unit on 26<sup>th</sup> September. However distribution to the districts by the Logistics Unit did not commence until 11<sup>th</sup> October, the delay being occasioned by waiting for the civic education campaign being organised by Government.

Once commenced, the distribution programme into the districts for the vouchers lasted just over one month being as follows:

<b>Region</b>	<b>Commenced</b>	<b>Completed</b>
Southern Region	11 <sup>th</sup> October	25 <sup>th</sup> October
Central Region	20 <sup>th</sup> October	8 <sup>th</sup> November
Northern Region	4 <sup>th</sup> November	15 <sup>th</sup> November

These dates indicate the time taken by the Logistics Unit to get the vouchers into the hands of the district officials. The time taken for the District authorities to make the vouchers available to the farmers is not documented.

## ***Supplementary Coupons***

During the month of December, additional Urea and NPK fertiliser coupons were authorised by the Ministry of Agriculture and printed by Montfort and Design Printers, the two firms who had printed the original coupons. The two firms in question have indicated that the orders for additional coupons were as follows:

<b>DISTRICT</b>	<b>UREA VOUCHERS</b>	<b>23:21:0 + 4S VOUCHERS</b>
Chitipa	1,000	1,000
Karonga	51,000	31,000
Rumphi	12,500	12,500
Nkhata Bay	17,880	17,880
Mzimba	100,000	100,000
<b>Regional Total</b>	<b>182,380</b>	<b>162,380</b>

NTCHISI	1,000	1,000
Dowa	1,000	1,000
Mchinji	1,000	1,000
Kasungu	1,000	1,000
Salima	1,000	1,000
Nkhota Kota	1,000	1,000
Lilongwe	56,500	56,500
Dedza	1,000	1,000
Ntcheu	22,000	22,000
<b>Regional Total</b>	<b>85,500</b>	<b>85,500</b>
Balaka	8,500	5,000
Mangochi	1,000	1,000
Machinga	33,100	17,800
Zomba	11,600	6,300
Chiladzulu	58,200	31,600
Mwanza/ Neno	1,000	1,000
Thyolo	57,000	35,000
Phalombe	25,000	13,000
Mulanje	38,200	19,600
Blantyre	57,500	44,500
Chikwawa	500	500
Nsanje	13,100	6,800
<b>Regional Total</b>	<b>304,700</b>	<b>182,100</b>
<b>National Total</b>	<b>572,580</b>	<b>429,980</b>

It has proved difficult to establish what exactly happened to these vouchers once they came from the printers. However in the absence of any evidence of a balance being left over, it has to be assumed all were distributed in the relevant districts.

A further complication connected with the printing of supplementary vouchers was that the use of two printing firms to produce additional fertiliser vouchers resulted in there being an overlap in the registration numbers printed.

Finally a number of vouchers with registration numbers outside of any known range have appeared at all outlets. These cover all four types of fertiliser although the Ministry of Agriculture maintains that no additional CAN or D compound were printed. Samples of these coupons have been referred back to the Ministry of Agriculture planning department with a request to investigate their origin.

The following table, showing the total number of vouchers that were known to be available for issue to the districts and the number of district vouchers subsequently recovered, supports the belief that additional vouchers were printed over and above the original issue and the December print.

DISTRICT	INITIAL ISSUE	DEC PRINT	TOTAL KNOWN VOUCHERS	TOTAL RECOVERED	EXCESS RECOVERY
Chitipa	85,520	2,000	87,520	83,575	
Karonga	14,600	82,000	96,600	26,377	
Rumphi	62,480	25,000	87,480	86,653	
Nkhata Bay	14,240	35,760	50,000	17,540	
Mzimba	253,160	200,000	453,160	403,545	
Ntchisi	94,040	2,000	96,040	93,405	
Dowa	190,680	2,000	192,680	203,276	10,596
Mchinji	185,240	2,000	187,240	201,745	14,505
Kasungu	204,960	2,000	206,960	231,281	24,321
Salima	56,920	2,000	58,920	58,584	
Nkhotakota	28,320	2,000	30,320	28,548	
Lilongwe	425,440	113,000	538,440	538,502	62
Dedza	107,040	2,000	109,040	112,372	3,332
Ntcheu	131,400	44,000	175,400	161,354	
Balaka	55,800	13,500	69,300	43,911	
Mangochi	134,400	2,000	136,400	153,598	17,198
Machinga	137,240	50,900	188,140	136,896	
Zomba	165,000	17,900	182,900	126,241	
Chiradzulu	70,840	89,800	160,640	80,975	
Mwanza/Neno	60,200	2,000	62,200	62,339	139
Thyolo	125,840	92,000	217,840	98,125	
Phalombe	91,760	38,000	129,760	78,766	
Mulanje	109,520	57,800	167,320	95,521	
Blantyre	173,360	102,000	275,360	147,169	
Chikwawa	13,480	1,000	14,480	9,404	
Nsanje	8,520	19,900	28,420	4,759	

## TRANSPORT OF FERTILISER TO UNIT MARKETS

The organising of transport to uplift the fertiliser from the three SFFRFM depots to the ADMARC and SFFRFM unit markets was largely the responsibility of the Logistics Unit. In early September, a list of potential transporters was agreed with the Ministry of Agriculture. Each name on the list was issued with a questionnaire aimed at determining the strength of the fleet, the financial resources available and the km/tonne cost required for moving fertiliser from the SFFRFM depots to the unit markets. From this questionnaire the Logistics Unit prepared a list of recommended transporters. This was forwarded to the Ministry of Agriculture and approval obtained for the employment of the names on the list. Conditions pertaining to the commissioning of transport were that the cost/km would be MK18 and the cost of shunting (defined as any distance under 30kms) would be 1,500MK/tonne. The only exception was the district of Chitipa where a rate of MK 22/tonne/km was to apply.

### *District deliveries*

The total tonnage moved into SFFRFM and ADMARC unit markets from the three SFFRFM depots was 137,493MTS. The average national cost of this movement was MK 3,661.23 MK/tonne (\$ 26.15/MT).

The table below indicates the tonnages delivered per district to the ADMARC and SFFRFM unit markets and the cost/MT of doing so:

DISTRICT	TONNAGE	MK	MK/MT	\$/MT
Chitipa	4,215.75	45,885,914.30	10,884.40	77.75
Karonga	733.20	4,146,434.68	5,655.26	40.39
Rumphi	2,422.00	4,678,679.32	1,931.74	13.80
Nkhata Bay	564.00	1,719,555.14	3,048.86	21.78
Mzimba	13,564.25	35,580,970.46	2,623.14	18.74
Ntchisi	3,744.15	10,399,039.95	2,777.41	19.84
Dowa	7,134.60	17,410,711.44	2,440.32	17.43
Mchinji	8,770.10	29,386,901.16	3,350.81	23.93
Kasungu	10,485.95	42,547,506.67	4,057.57	28.98
Salima	3,083.40	8,665,734.68	2,810.45	20.07
Nkhota Kota	1,518.45	5,222,667.38	3,439.47	24.57
Lilongwe	17,712.75	34,129,631.53	1,926.84	13.76
Dedza	4,581.20	16,516,630.00	3,605.31	25.75
Ntcheu	7,161.95	41,323,924.19	5,769.93	41.21
Balaka	2,556.05	12,226,953.66	4,783.53	34.17
Mangochi	6,116.35	49,571,427.99	8,104.74	57.89
Machinga	6,153.80	36,134,518.70	5,871.90	41.94
Zomba	7,588.00	23,051,639.21	3,037.91	21.70
Chiladzulu	3,937.45	7,206,436.39	1,830.23	13.07
Mwanza	885.70	2,892,552.29	3,265.84	23.33
Neno	1,147.60	4,709,632.47	4,103.90	29.31
Thyolo	5,432.60	15,992,925.67	2,943.88	21.03
Phalombe	4,331.45	18,670,571.10	4,310.47	30.79
Mulanje	5,318.50	16,906,438.10	3,178.80	22.71
Blantyre	7,420.85	13,641,962.31	1,838.33	13.13
Chikwawa	588.45	2,835,220.71	4,818.12	34.42
Nsanje	324.10	1,937,421.43	5,977.85	42.70

Subsequent to the initial delivery into the districts, over and under provision in some unit markets resulted in the need to relocate stocks between markets. This exercise, conducted in December/January, was extremely expensive. Approximately 12,000 MTS was the subject of this relocation at a total cost of MK 98,654,191, namely MK 8,221/MT (\$58.72/MT).

When fertiliser sales closed, 11,395.03 MTS remained unsold in the unit markets. An exercise to retrieve this was mounted and 10,885.60 MTS were recovered at a cost of MK 63,120,503. The balance of 510.13 MTS could not be uplifted because of impassable routes. For future reference, a table indicating where this balance is has been produced below.

DISTRICT	MARKET	NPK MTS	UREA MTS	CAN MTS	D MTS
Nsanje	Makhanga Admarc	-	0.85	-	-
	Chididi Admarc	-	13.75	-	-
Mwanza	Kunenekude	-	5.30	-	-
	Mwanza Admarc	-	-	-	2.60
Chiradzulu	Milepa Admarc	-	-	-	0.50
Machinga	Chikweo Admarc	-	-	0.10	-
Mangochi	Chiripa Admarc	-	1.00	-	-



	Masi Admarc	56.50		5.90	1.90
	Ipani Admarc	-	-	-	5.00
	Namalaka Admarc	-	-	10.40	10.60
	Funuwe Admarc	8.55	5.75	2.00	2.00
	Makanjira Admarc			0.75	0.30
Balaka	Phimbi Admarc	14.00	-	-	-
Chitipa	Chisenga Admarc			0.10	
	Wenya Admarc			0.05	0.05
	Kavomolo Admarc		0.05		
	Mahobe			0.22	
Mzimba	Luhomelo Admarc			7.25	
Rumphi	Mlowe Admarc			0.60	
Nkhata Bay	Chizumulu				0.15
Salima	Makioni Admarc		2.30		
Nkhota Kota	Lupache Admarc		43.00		
Ntchisi	Swaswa Admarc				14.11
Dowa	Kalonga Admarc	0.3			35.65
Lilongwe	Demera Admarc				2.7
	Mngwangwa	12.45		13.00	24.85
	Kasiya Admarc		30.00		
	Msanama			22.35	
	Malembo		16.00		
	Ng'ombe	17.90		17.10	
Kasungu	Kaphaizi Admarc	-	-	2.00	-
	Kapaladzala	49.90	4.40	2.65	10.80
Ntcheu	Chawanje Admarc	31.95	-	-	-

## SALES OF FERTILISER

Delivery of Government fertiliser to the unit markets began on 10<sup>th</sup> October in conjunction with the issuing of vouchers. Sales of subsidised fertiliser should have commenced simultaneously but lack of SFFRFM/ADMARC staff in many of the unit markets coupled with the poor supply of NPK into the three main depots prevented a smooth commencement of the SFFRFM/ADMARC sales operation. The result was a staggered start of sales from the unit markets in the Southern Region.

Permission to sell through private retailers was given on 14th November. Retail outlets were authorised to sell 50 kg bags of all four types of fertiliser to the farmer at a cost of MK 950/bag in exchange for a voucher of the relevant type. The balance of the cost was reimbursed by submitting the vouchers to the Logistics Unit where the validity was checked and a recommendation for payment forwarded to the Ministry of Agriculture. Reimbursement of vouchers differed for each district and for each type of fertiliser. The following table sets out the voucher values:

DISTRICT	UREA MK	NPK MK	CAN MK	D/COMP MK
Chitipa	2,277.00	3,066.00	2,038.00	
Karonga	2,627.00	2,973.00	1,969.00	2,753.00
Rumphi	2,514.00	2,850.00	1,877.00	2,636.00
Nkhata Bay	2,616.00	2,961.00	1,960.00	2,742.00
Mzimba	2,552.00	2,891.00	1,908.00	2,675.00

Ntchisi	2,381.00	2,551.00	1,730.00	2,472.00
Dowa	2,331.00	2,498.00	1,689.00	2,420.00
Mchinji	2,379.00	2,548.00	1,727.00	2,469.00
Kasungu	2,406.00	2,577.00	1,749.00	2,497.00
Salima	2,357.00	2,526.00	1,710.00	2,447.00
Nkhotakota	2,445.00	2,618.00	1,781.00	2,538.00
Lilongwe	2,328.00	2,496.00	1,687.00	2,418.00
Dedza	2,358.00	2,526.00	1,710.00	2,448.00
Ntcheu	2,402.00	2,572.00	1,746.00	2,493.00
Balaka	2,277.00	2,487.00	1,701.00	2,422.00
Mangochi	2,370.00	2,587.00	1,777.00	2,520.00
Machinga	2,273.00	2,483.00	1,697.00	2,418.00
Zomba	2,210.00	2,416.00	1,646.00	2,352.00
Chiradzulu	2,210.00	2,416.00	1,646.00	2,352.00
Mwanza	2,210.00	2,417.00	1,646.00	2,353.00
Neno	2,230.00	2,437.00	1,662.00	2,373.00
Thyolo	2,210.00	2,416.00	1,646.00	2,352.00
Phalombe	2,261.00	2,471.00	1,688.00	2,406.00
Mulanje	2,245.00	2,454.00	1,675.00	2,398.00
Blantyre	2,277.00	2,408.00	1,639.00	2,344.00
Chikwawa	2,214.00	2,421.00	1,649.00	2,357.00
Nsanje	2,261.00	2,471.00	1,688.00	2,406.00

On the instructions of the Government, sales of subsidised fertiliser from all outlets in the Central and Southern regions were stopped on 26<sup>th</sup> January. Those in the Northern region were permitted to continue until 2<sup>nd</sup> February

Based on voucher returns from the retailers, district sales through the retailers were as follows:

DISTRICT	UREA MTS	NPK MTS	CAN MTS	D/COMP MTS	TOTALS
Chitipa	198.15	129.20	37.10	26.80	391.25
Karonga	226.45	273.30	0.30	0.00	500.05
Rumphi	721.60	792.05	156.55	195.05	1,865.25
Nkhata Bay	91.25	181.30	3.30	0.00	275.85
Mzimba	3,886.70	2,881.85	468.75	417.80	7,655.1
<b>Regional Total</b>	<b>5,124.15</b>	<b>4,257.70</b>	<b>666.00</b>	<b>639.65</b>	<b>10,687.50</b>

Ntchisi	404.15	580.80	163.05	11.60	1,159.6
Dowa	1,078.60	983.35	554.10	228.00	2,844.05
Mchinji	1,398.35	1,829.90	561.10	333.60	4,122.95
Kasungu	1,804.40	2,278.70	755.90	844.00	5,683.00
Salima	332.40	309.25	46.20	3.10	690.95
Nkhotakota	155.55	174.60	23.20	7.50	360.85
Lilongwe	4,439.75	4,450.55	1,018.80	495.75	10,404.85
Dedza	612.05	692.70	99.55	59.20	1463.50
Ntcheu	871.55	1,259.95	148.15	122.30	2,401.95
<b>Regional Total</b>	<b>11,096.80</b>	<b>12,559.80</b>	<b>3,370.05</b>	<b>2,105.05</b>	<b>29,131.70</b>
Balaka	362.65	432.25	30.80	17.65	843.35
Mangochi	438.20	479.05	130.30	113.50	1,161.05
Machinga	1,367.05	960.50	118.75	125.05	2,571.35
Zomba	686.25	702.25	163.25	147.80	1,699.55
Chiradzulu	223.30	141.60	9.80	1.05	375.75
Mwanza	114.20	145.80	1.95	3.15	265.10
Neno	0.00	0.00	0.00	0.00	0.00
Thyolo	628.90	746.95	32.55	67.50	1475.90
Phalombe	172.30	131.25	8.65	1.95	314.15
Mulanje	65.15	123.65	1.25	0.00	190.05
Blantyre	218.95	285.40	20.00	6.30	530.65
Chikwawa	2.50	2.50	0.00	0.00	5.00
Nsanje	0.00	0.00	0.00	0.00	0.00
<b>Regional Total</b>	<b>4,279.45</b>	<b>4,151.20</b>	<b>517.30</b>	<b>483.95</b>	<b>9,431.90</b>
<b>National Total</b>	<b>20,500.40</b>	<b>20,968.70</b>	<b>4,553.35</b>	<b>3,228.65</b>	<b>49,251.10</b>

The bulk of the fertiliser distributed through the fertiliser subsidy scheme went through the ADMARC and SFFRFM unit markets. These numbered 666 and 56 respectively. As already advised the source of the fertiliser for these outlets was the Government purchased fertiliser listed in table B above. 137,493 MTS was uplifted from the depots. 660 MTS went to the Millennium Project leaving 136,833 MTS being shipped into the ADMARC and SFFRFM unit markets from the three SFFRFM depots. There it was traded to the farmers in exchange for the relevant coupon and a payment of MK 950.

Of the 136,833 MTS delivered into the unit markets, stocks remaining at the end of the exercise totalled 11,396 MTS. Consequently it has to be assumed that 125,437 MTS were purchased through the unit markets. Coupon recovery for all types of fertilisers from ADMARC and SFFRFM totalled 2,465,883, representing trading covering 123,294 MTS of fertiliser, leaving an unaccounted shortfall of 2,143 MTS (1.71%). The district details are given below with the vouchers recovered having been converted to tonnes:

District	Urea		NPK		CAN		D		Total	
	Total sales	Total Vouchers	Total sales	Total Vouchers	Total sales	Total Vouchers	Total sales	Total Vouchers	Total sales	Total Vouchers
Chitipa	1,437.15	1,423.95	1557.4	1,524.80	422.2	437.25	442.1	401.50	3,858.85	3,787.50
Karonga	359.10	355.15	319.1	380.15		83.50			678.20	818.80
Rumphi	867.35	786.05	843.55	800.35	493.85	502.30	376.95	378.70	2,581.70	2,467.40
Nkhata Bay	258.2	298.60	282.95	277.65	19.85	19.10	2.65	5.80	563.65	601.15
Mzimba	5,175.05	5,311.45	5,171.8	5,004.65	1,388.81	1,120.70	1,293.6	1,085.35	13,029.26	12,522.15
<b>Regional Total</b>	<b>8,096.85</b>	<b>8,175.20</b>	<b>8,174.80</b>	<b>7,987.60</b>	<b>2,324.71</b>	<b>2,162.85</b>	<b>2,115.30</b>	<b>1,871.35</b>	<b>20,711.66</b>	<b>20,197.00</b>
Ntchisi	1,465.05	1,251.45	1237.4	1,423.40	428.2	388.45	526.65	447.35	3,657.30	3,510.65
Dowa	2,711.1	3,075.70	2,648.35	2,880.85	481.25	481.25	992.55	881.95	6,833.25	7,319.75
Mchinji	2,791.25	2,764.00	2,415.85	2,427.00	267.55	267.55	512.15	505.75	5,986.80	5,964.30
Kasungu	2766	2,600.95	2,006.55	1,853.60	630.00	630.00	885.25	796.50	6,287.80	5,881.05
Salima	1,131.15	1,077.20	1,127.35	1,125.10	12.35	12.35	3.20	23.60	2,274.05	2,238.25
Nkhotakota	547.40	541.25	510.40	492.30	10.80	10.80	22.20	22.20	1,090.80	1,066.55
Lilongwe	8,272.55	7,485.60	7,178.55	6,173.65	1,216.15	1,216.15	1,348.10	1,644.85	18,015.35	16,520.25
Dedza	2,094.4	2,101.10	1,875.20	1,871.40	67.90	67.90	116.00	114.70	4,153.50	4,155.10
Ntcheu	3,518.55	2,945.20	2,984.75	2,593.15	72.95	72.95	61.80	54.45	6,638.05	5,665.75
<b>Regional Total</b>	<b>25,297.45</b>	<b>23,842.45</b>	<b>21,984.40</b>	<b>20,840.45</b>	<b>3,187.15</b>	<b>3,147.40</b>	<b>4,467.90</b>	<b>4,491.35</b>	<b>54,936.90</b>	<b>52,321.65</b>
Balaka	1,170.75	1,167.60	1,034.89	993.45	16.3	12.60	21.55	21.90	2,243.49	2,195.55
Mangochi	2,509.55	2,620.75	2,487.85	4,764.40	186.75	141.95	173.50	152.80	5,357.65	7,679.90
Machinga	2,725.60	2,671.70	2,515.80	4,046.75	100	64.95	68.10	61.40	5,409.50	6,844.80
Zomba	2,993.35	2,632.95	3,108.00	3,221.50	284.5	223.90	255.00	233.70	6,640.85	6,312.05
Chiradzulu	2,064.75	2,015.60	1,991.70	1,884.45	80	75.55	80.00	73.15	4,216.45	4,048.75
Mwanza	463.80	476.30	431.9	416.40	3	1.50	4.00	0.05	902.70	894.25
Neno	452.80	461.40	686.80	641.25	4	4.00	4.00	4.70	1,147.60	1,111.35
Thyolo	2,838.60	2,538.60	2,821.90	2,334.05	57	15.45	52.00	18.15	5,769.50	4,906.25
Phalombe	2,018.85	1,678.35	2,088.60	2,034.80	121.55	106.45	132.25	118.70	4,361.25	3,938.30
Mulanje	2,710.90	2,501.15	2,670.30	2,233.35	24	15.40	32.20	26.15	5,437.40	4,776.05
Blantyre	3,859.40	3,811.55	3,543.20	3,451.45	75	54.35	47.20	41.10	7,524.80	7,358.45
Chikwawa	237.55	228.35	275.70	241.85					513.25	470.20
Nsanje	123.50	106.75	140.50	131.20					264.00	237.95
<b>Regional Total</b>	<b>24,169.40</b>	<b>22,911.05</b>	<b>23,797.14</b>	<b>26,394.90</b>	<b>952.10</b>	<b>716.10</b>	<b>869.80</b>	<b>751.80</b>	<b>49,788.44</b>	<b>50,773.85</b>
<b>National Total</b>	<b>57,563.70</b>	<b>54,928.70</b>	<b>53,956.34</b>	<b>55,222.95</b>	<b>6,463.96</b>	<b>6,026.35</b>	<b>7,453.00</b>	<b>7,114.50</b>	<b>125,437.00</b>	<b>123,292.50</b>

The above table indicates that ADMARC/SFFRFM recovered more NPK vouchers than the tonnage of NPK sold. This is most likely due to the absence of NPK in the markets at the beginning of the selling period, as mentioned earlier in this report. Consequently it is probable that farmers, particularly in the Southern Region, exchanged NPK vouchers for other fertilisers, mainly urea.

## DISTRICT DISTRIBUTION OF FERTILISER

The table below has been produced by combining the private sector sales with those of ADMARC and SFFRFM.

District	Urea	NPK	Can	D	Total fertiliser
Chitipa	1,635.30	1,686.60	459.30	468.90	4,250.10
Karonga	585.55	592.40	0.30	-	1,178.25
Rumphi	1,588.95	1,635.60	650.40	572.00	4,446.95
Nkhata Bay	349.45	464.25	23.15	2.65	839.50
Mzimba	9,061.75	8,053.65	1,857.56	1,711.40	20,684.36
<b>Regional Total</b>	<b>13,221.00</b>	<b>12,432.50</b>	<b>2,990.71</b>	<b>2,754.95</b>	<b>31,399.16</b>
Ntchisi	1,869.20	1,818.20	591.25	538.25	4,816.90
Dowa	3,789.70	3,631.70	1,035.35	1,220.55	9,677.30
Mchinji	4,189.60	4,245.75	828.65	845.75	10,109.75
Kasungu	4,570.40	4,285.25	1,385.90	1,729.25	11,970.80
Salima	1,463.55	1,436.60	58.55	6.30	2,965.00
Nkhotakota	702.95	685.00	34.00	29.70	1,451.65
Lilongwe	12,712.30	11,629.10	2,234.95	1,843.85	28,420.20
Dedza	2,706.45	2,567.90	167.45	175.20	5,617.00
Ntcheu	4,390.10	4,244.70	221.10	184.10	9,040.00
<b>Regional Total</b>	<b>36,394.25</b>	<b>34,544.20</b>	<b>6,557.20</b>	<b>6,572.95</b>	<b>84,068.60</b>
Balaka	1,533.40	1,467.14	47.10	39.20	3,086.84
Mangochi	2,947.75	2,966.90	317.05	287.00	6,518.70
Machinga	4,092.65	3,476.30	218.75	193.15	7,980.85
Zomba	3,679.60	3,810.25	447.75	402.80	8,340.40
Chiradzulu	2,288.05	2,133.30	89.80	81.05	4,592.20
Mwanza	578.00	577.70	4.95	7.15	1,167.80
Neno	452.80	686.80	4.00	4.00	1,147.60
Thyolo	3,467.50	3,568.85	89.55	119.50	7,245.40
Phalombe	2,191.15	2,219.85	130.20	134.20	4,675.40
Mulanje	2,776.05	2,793.95	25.25	32.20	5,627.45
Blantyre	4,078.35	3,828.60	95.00	53.50	8,055.45
Chikwawa	240.05	278.20	-	-	518.25
Nsanje	123.50	140.50	-	-	264.00
<b>Regional Total</b>	<b>28,448.85</b>	<b>27,948.34</b>	<b>1,469.40</b>	<b>1,353.75</b>	<b>59,220.34</b>
<b>National Total</b>	<b>78,064.10</b>	<b>74,925.04</b>	<b>11,017.31</b>	<b>10,681.65</b>	<b>174,688.10</b>

## DISTRIBUTION OF MAIZE SEED

Five growers of maize seed took part in the provision of maize seed through the subsidised inputs programme. These were Monsanto, Pannar, Seed Co, Funwe and Demeter. The last two were suppliers of OPV only, Pannar and Seed Co supplied both hybrid and OPV. Monsanto dealt only in hybrid.

All hybrid maize was in 2kg packs. Pannar packed its OPV seed in 3kg packs while the other three OPV suppliers offered a 4kg pack.

Maize seed dealer outlets available to the farmers were unrestricted, being at the discretion of the seed supplier. As a result, the three major players in the Malawi maize seed frame used a mixture of the major agro-dealers (Farmers World, RAB etc), general wholesalers (Chipuku), statutory bodied (SFFRFM/ADMARC) and well organised small agro-dealers as distributors. Demeter, having a relationship with Farmers World, dealt exclusively through the Agora and Farmers world network and Funwe used a mixture of small agro-dealers and RAB Processors outlets.

According to the voucher redemption count, a total of 2,767 tonnes of hybrid and 1,757 tonnes of OPV were distributed through the scheme.

The district breakdown by voucher is shown in the table below.

<b>SOUTHERN REGION</b>	<b>AVAILABLE VOUCHERS</b>	<b>HYBRID SUPPLIED</b>	<b>OPV SUPPLIED</b>	<b>UNREDEEMED VOUCHERS</b>
Phalombe	66,739	42,755	16,505	7,479
Mulanje	83,323	62,884	13,387	7,052
Mangochi	95,078	51,704	36,434	6,940
Mwanza	20,154	10,284	5,004	4,866
Neno	25,846	20,508	5,822	- 484
Thyolo	95,108	67,173	19,124	8,811
Machinga	99,261	72,449	20,989	5,823
Blantyre	131,046	94,507	26,300	10,239
Zomba	114,615	67,282	35,578	11,755
Chiladzulu	51,878	32,733	17,782	1,363
Balaka	41,539	29,034	6,886	5,619
Nsanje	6,554	5,811	349	394
Chikwawa	10,369	7,528	1,178	1,663
<b>Southern Region Totals</b>	<b>841,510</b>	<b>564,652</b>	<b>205,382</b>	<b>71,476</b>
<b>Central Region</b>				
Dedza	76,646	53,932	13,163	9,551
Dowa	114,985	78,407	29,549	7,029
Kasungu	116,923	85,613	29,753	1,557
Lilongwe	265,939	210,284	42,305	13,350
Mchinji	118,554	85,805	22,598	10,151
Ntcheu	95,169	52,924	24,927	17,318
Ntchisi	56,831	41,827	7,737	7,267
Salima	42,215	28,177	11,356	2,682
Nkhota Kota	20,450	10,297	6,116	4,037
<b>Central region totals</b>	<b>907,712</b>	<b>647,266</b>	<b>187,504</b>	<b>72,942</b>

<b>NORTHERN REGION</b>				
Chitipa	51,108	37,093	3,467	10,548
Karonga	11,231	8,318	1,962	951
Mzimba	146,923	96,474	35,569	14,880
Rumphi	30,861	23,710	5,220	1,931
Nkhata Bay	10,640	5,810	3,139	1,691
<b>Northern Regional Total</b>	<b>250,763</b>	<b>171,405</b>	<b>49,357</b>	<b>30,001</b>
				-
<b>National Total</b>	<b>1,999,985</b>	<b>1,383,323</b>	<b>442,243</b>	<b>174,419</b>

The breakdown of the above (again in vouchers) into sales through private agro-dealers and the statutory bodies is as follows:

<b>SOUTHERN REGION</b>	<b>ADMARC/SFFRFM</b>	<b>PRIVATE DEALERS</b>	<b>TOTAL SALES</b>
Phalombe	45,832	13,428	59,260
Mulanje	33,797	42,474	76,271
Mangochi	31,984	56,154	88,138
Mwanza/Neno	22,638	19,024	41,662
Thyolo	47,548	38,749	86,297
Machinga	43,930	49,508	93,438
Blantyre	56,318	64,489	120,807
Zomba	61,934	40,926	102,860
Chiladzulu	25,504	25,011	50,515
Balaka	11,904	24,016	35,920
Nsanje	3,610	2,550	6,160
Chikwawa	6,264	2,442	8,706
<b>Southern Region Totals</b>	<b>391,263</b>	<b>378,771</b>	<b>770,034</b>
<b>Central Region</b>			
Dedza	28,217	38,878	67,095
Dowa	36,725	71,231	107,956
Kasungu	43,666	71,700	115,366
Lilongwe	90,316	162,273	252,589
Mchinji	30,451	77,952	108,403
Ntcheu	27,420	50,431	77,851
Ntchisi	24,859	24,705	49,564
Salima	25,164	14,369	39,533
Nkhota Kota	10,496	5,917	16,413
<b>Central region totals</b>	<b>317,314</b>	<b>517,456</b>	<b>834,770</b>
<b>Northern Region</b>			
Chitipa	23,453	17,107	40,560
Karonga	7,080	3,200	10,280
Mzimba	38,463	93,580	132,043
Rumphi	9,852	19,078	28,930
Nkhata Bay	4,207	4,742	8,949
<b>Northern Regional Total</b>	<b>83,055</b>	<b>137,707</b>	<b>220,762</b>
<b>National Total</b>	<b>791,632</b>	<b>1,033,934</b>	<b>1,825,566</b>

## COSTS

Numerous tables could be produced covering the costs incurred in the implementation of the programme but it is trusted that the major cost information is provided in the following:

### *Programme Costs (MK)*

Seed voucher redemption	731,592,800.00
Fertiliser Voucher redemption	2,440,668,665.00
Government Fertiliser contracts	8,562,896,990.82
Transport costs to and within unit markets	602,528,409.16
Recovery costs from unit markets	63,201,196.02
Voucher printing costs	15,036,385.00
<b>Total cost</b>	<b>12,415,924,446.00</b>

### *Logistics Unit Costs (MK)*

Logistics Unit HQ	23,988,889.78
LU SFFRFM depot staffing	2,405,771.62
Voucher control staff	8,070,669.85
Data entry/Monitoring	12,173,124.45
Computer purchase	4,899,200.00
<b>Total cost</b>	<b>51,537,655.7</b>

The above costs reflect both Government and donor costs , the latter having contributed for the provision of seed, the voucher printing, the Logistics Unit costs and an element of the transport costs

Notable omissions from the above costs are the operational costs for the ADMARC and SFFRFM markets and depots and the administrative and operational costs for the Ministry of Agriculture.

Further breakdown of costs that may be useful to planners cover the cost of the fertiliser sales through the ADMARC and SFFRFM markets. The figures below should assist in such assessments.

<b>GOVERNMENT FERTILISER COSTS/DEPOT</b>	<b>CHIRIMBA</b>	<b>TONNES</b>	<b>TOTAL COST MK</b>	<b>AVERAGE COST /MT</b>
NPK		23,082.10	1,548,004,269.17	67,065.14
Urea		24,352.15	1,465,691,810.34	60,187.38
D		1,300.00	79,400,412.00	61,077.24
CAN		2,031.70	105,607,640.10	51,979.94
	<b>Kanengo</b>	<b>Tonnes</b>	<b>Cost MK</b>	<b>AV Cost</b>
NPK		25,394.75	1,738,011,620.09	68,439.80
Urea		25,548.95	1,553,009,126.72	60,785.63
D		3,780.30	246,933,240.95	65,321.07
CAN		7,534.45	413,186,644.78	54,839.66
	<b>Luwinga</b>	<b>Tonnes</b>	<b>Cost MK</b>	<b>AV Cost</b>
NPK		8,150.05	579,524,058.10	71,106.84
Urea		8,094.46	521,562,032.18	64,434.48
D		2,600.00	177,826,372.00	68,394.76
CAN		2,600.00	134,139,764.29	51,592.22



## ADMARC/SFFRFM SALES

	UREA	NPK	CAN	D	SUMMARY
	Total sales MT	Total sales MT	Total sales MT	Total sales MT	Total sales MT
<b>NR Regional Total</b>	8,096.85	8,174.80	2,324.71	2,115.30	20,715.40
		-	-	-	-
<b>CR Regional Total</b>	25,297.45	21,984.40	3,187.15	4,467.90	54,936.90
		-	-	-	-
<b>SR Regional Total</b>	24,169.40	23,797.14	952.10	869.80	49,788.44
	-	-	-	-	-
<b>National Total</b>	57,563.70	53,956.34	6,463.96	7,453.00	125,437.74

## ADMARC/SFFRFM FERTILISER COSTS

	UREA COSTS	NPK COSTS	CAN COSTS	D COSTS	
<b>NR Regional Total</b>	521,716,352.77	581,284,165.62	120,129,897.96	144,675,432.57	1,367,805,848.72
<b>CR Regional Total</b>	1,537,721,539.74	1,504,607,946.95	174,782,209.04	291,848,008.69	3,508,959,704.42
<b>SR Regional Total</b>	1,454,692,867.54	1,595,958,526.91	49,490,099.00	53,124,983.35	3,153,266,476.80
<b>National Total</b>	3,514,130,760.05	3,681,850,639.48	344,402,205.80	489,648,424.61	8,030,032,029.94

Gross cost of sales of 125,437 MTS fertiliser through ADMARC/SFFRFM markets (exclusive of ADMARC/SFFRFM operational costs)

Fertiliser costs	MK 8,030,032,030
Transport from SFFRFM depots to unit markets and relocating where necessary	MK 602,528,409
Recovering surplus fertiliser from markets	MK 63,120,503
<b>Costs (exclusive of ADMARC/SFFRFM operational costs)</b>	<b>MK 8,695,680,942</b>